



## CITY OF LINCOLN ECONOMIC DEVELOPMENT COMMITTEE AGENDA

**September 14, 2016**

8:00 AM  
Lincoln City Hall  
600 Sixth Street, Lincoln, CA 95648  
First Floor Meeting Room

**ROLL CALL:** Matthew Brower, Vic Freeman, Matthew Gardner, Peter Gilbert, Jerry Harner, Joanne Hilton, Paul Joiner, Mike Miller (Chair), Cathi Ruff, Cherri Spriggs-Hernandez, Shawn Tillman, Sally Welch (Vice Chair), Carol Witten

**MINUTES:** Approval of Minutes from August 10, 2016

**PUBLIC COMMENT:** Citizens may address the Committee regarding items not posted on the agenda. In most cases, the Committee may not discuss or take action on items not posted on the agenda.

### **COMMITTEE BUSINESS:**

1. Economic Development Committee Charter Review
2. Economic Development Action Plan Scorecard Metrics

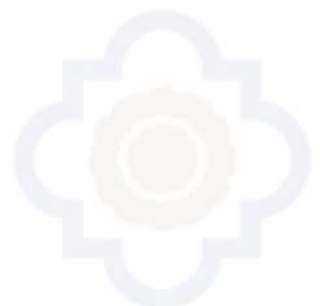
### **UPDATES:**

1. Main Street Task Force Study Mission-Livermore, CA October 3, 2016
2. Greater Sacramento Request for Information Response

### **OTHER ITEMS:**

1. Future agenda Items

**NEXT SCHEDULED MEETING:** **October 12, 2016, 8:00 AM**



## **Economic Development Committee Meeting Minutes, Wednesday 8/10/16**

**Call to Order:** Mike Miller (Chair) at 8:00AM

**Present:** Mike Miller (Chair), Paul Joiner (City Council Member), Peter Gilbert (City Council Member), Shawn Tillman (EDC Manager), Cathi Ruff (Member), Cherri Spriggs-Hernandez (Member), Carol Witten (Member), Vic Freeman (Member), Matt Brower (City Manager), Joann Hilton (Member), Jerry Harner (new Member)

**Excused Absences:** Matt Gardner (Member), Sally Welch (Vice-Chair)

**Corrections to 7/13/16 Minutes:** Spelling convention: "Joann" Hilton (no capital a)

**Motion for Minutes Approval:** Motion by Jerry Harner, 2<sup>nd</sup> by Vic Freeman

**Guests:** Dan Karleskint (Planning Commissioner & Airport Task Force), Tom Cosgrove (CEO Lincoln Chamber), Marc & Dawn Einarsson (Bayabelle Boutique, Lincoln)

**Public Comment:** None

### **Committee Business:**

1. Welcome to Jerry Harner, newly seated EDC member. Jerry stated that he participates in the Airport Committee and is a financial planner by profession.
2. Marc & Dawn Einarsson shared their experience as new owners of their women's clothing boutique "Bayabelle", which opened in June of 2013 in Lincoln.
3. Economic Development Committee Charter Review involves EDC meetings, reporting to City Council, and the Strategic Action Plan as basis for motivation.
4. Economic Development Action Plan Scorecard Metrics is a living document, whereas the Purpose Document consists of by-laws.

### **Updates:**

1. Draft Business Resource Guide Handout, drafted by Cathi Ruff and EDC Intern. The handout can be left as a useful resource with the new businesses that have been visited by EDC members.
2. GO-Biz Notice of Proposed Rulemaking facilitates tax breaks in high unemployment areas. Shawn said that it does not apply to Lincoln area.
3. New Business Licenses for June 2016. Peter remarked that the count is down compared to June of 2015. Shawn will review the comparison as to "why?"

### **Future Agenda Items:**

1. Paul Joiner said the priority item for discussion is Measure M, the Sales Tax Transportation Projects in Placer County, which will be on this November Ballot. Paul suggested that the EDC might consider recommendations and endorsement for Measure M as an educational public outreach.
2. Shawn suggested a review of the General Plan Policies for guidance as it pertains to EDC.
3. EDC Members will continue to seek entrepreneurs for Business Profiles Presentations of Lincoln's growing businesses for our EDC meetings.

**Meeting Adjourned:** 9:34AM by Chair Mike Miller

Respectfully Submitted by Carol Witten, EDC Member

# Implementing the Main Street Program —A Study Mission

## Tour of Downtown Livermore, CA

Monday, October 3, 2016

Please join us as we take a bus trip to Downtown Livermore and learn from experts about implementing the Main Street program in Placer County communities.

Thirty years in the making, evidence of Livermore Downtown, Inc.'s revitalization success is plentiful. Special events, merchant promotions and volunteer participation have helped create a buzz downtown that thrives on the city's beauty, its agricultural heritage and rich wine-making tradition. Its eclectic selection of restaurants and retail shops keep residents and visitors alike interested on a year-round basis.

The trip to Livermore will include:

- ✓ A walking tour of Downtown Livermore.
- ✓ An informal lunch with opportunity for Q&A.
- ✓ Valuable facetime on the bus down and back with Laura Cole Rowe, Executive Director of CA Main Street Alliance, which assists member communities in implementing the Main Street approach.

### SCHEDULE

8:15 AM	Depart—Auburn; 175 Fulweiler Avenue
9:00 AM	Depart—Roseville; Meet on the back side (Oak Street) of the City parking garage at 405 Vernon St.
4:15 PM	Estimated Arrival—Roseville
4:45 PM	Estimated Arrival—Auburn

**Space is limited – Register now at: [www.placercf.org/events](http://www.placercf.org/events)**

**Questions call: 530.885.4920**

Hosted by Placer Community Foundation in support of  
Economic Development Board of Placer County's Main Street Task Force



August 19, 2016

# RFI RESPONSE

Prepared for

**GENERIC  
RESPONSE**

GREATER  
**SACRAMENTO**  
CALIFORNIA

400 Capitol Mall, Suite 2500, Sacramento, CA 95814 916.441.2144 **[selectsacramento.com](http://selectsacramento.com)**

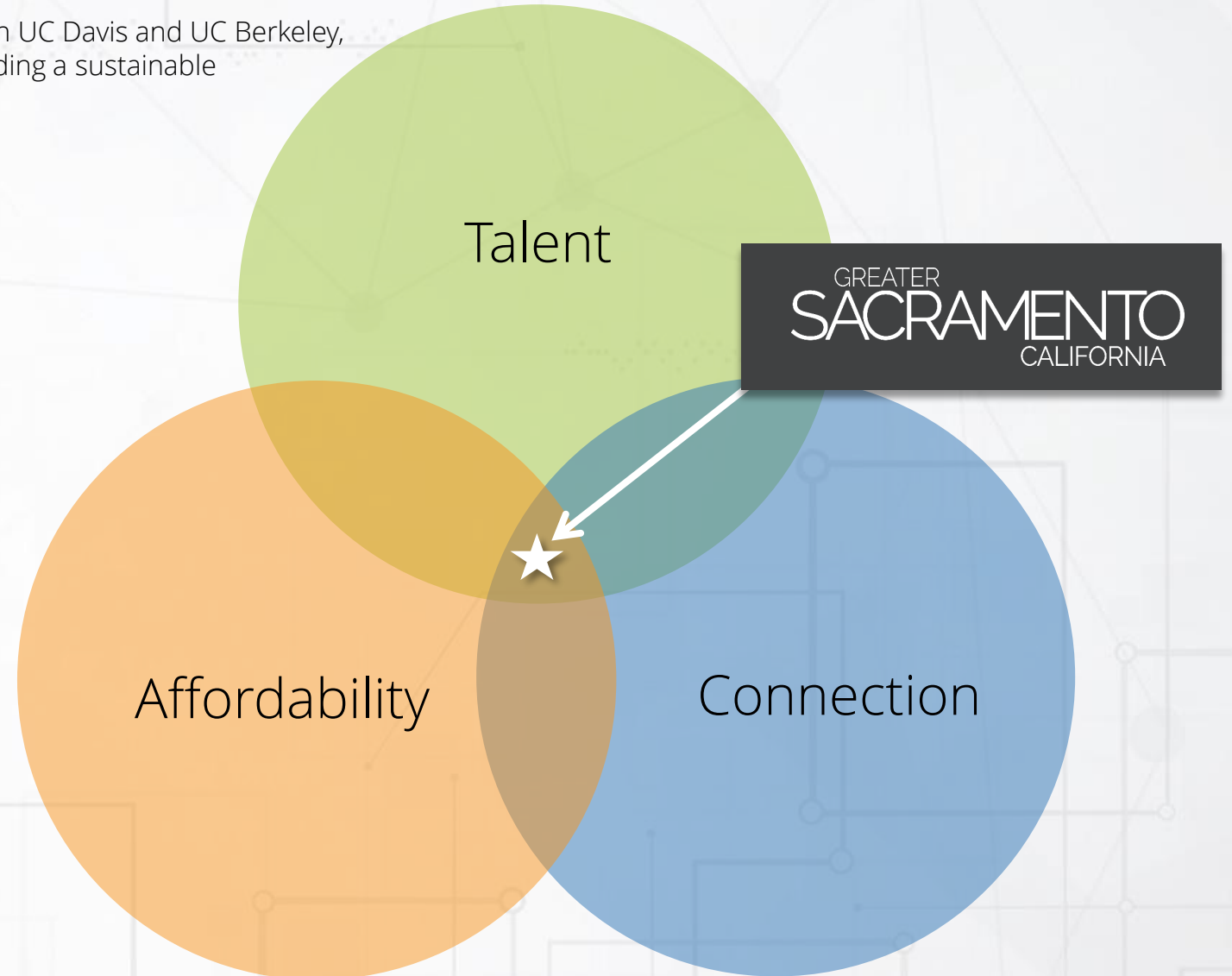
# Greater Sacramento's Value Proposition

Greater Sacramento provides access to talent and resources through UC Davis and UC Berkeley, as well as the innovation being developed at both top schools, providing a sustainable environment for the next generation of tech start ups.

**1** Talent  
Shared ecosystem of existing talent

**2** Affordability  
Affordable real estate, distribution & talent solutions

**3** Connection  
Connected to the Bay Area innovation hub as well as 2 top UC schools





# Greater Sacramento Approach

The Greater Sacramento Area Economic Council is the catalyst for innovative growth strategies in the Capital Region of California. The organization spearheads community-led direction to retain, attract, grow, and create new businesses, develop advanced industries, and create jobs throughout a six-county region. Greater Sacramento represents a collaboration between local and state governments, market leaders, influencers, and stakeholders, with the sole mission of driving economic growth. Sacramento was founded on discovery, built on leadership, and fueled by innovation

## INITIAL EXCHANGE TO UNDERSTAND BUSINESS NEEDS/CHALLENGES

- Real estate requirements
- Skills gaps/recruitment needs
- Capital investment proposed
- Timing of potential locate

## CONNECT WITH TALENT

- Partnerships with universities for workforce delivery programs
- Identify base of qualified graduates/experience workers

## PROVIDE OPTIONS

- Provide list of options that meet requirements
- Lead custom tours of shortlisted communities

## CONNECT TO LOCAL NETWORK OF VENTURE CAPITAL INVESTORS

- Arrange formal investment pitches

## APPLYING THESE STEPS LEADS TO A TURN KEY SOLUTION

We're the New California Dream.



## Sequential Locate Model



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The background features a collage of California landmarks: the State Capitol dome, the Golden Gate Bridge, and a San Francisco skyline. A network of grey lines with circular nodes is overlaid on the image, connecting various points across the frame.

# CALIFORNIA

Business Climate of the Golden State

GREATER  
**SACRAMENTO**  
CALIFORNIA

400 Capitol Mall, Suite 2500, Sacramento, CA 95814 916.441.2144 **[selectsacramento.com](http://selectsacramento.com)**



# California creates return on investment



Access to State  
Amenities



Intermodal  
Access



Global Connection  
& International  
Profile



UNIVERSITY  
OF  
CALIFORNIA

Proximity to UC Davis  
& UC Berkeley

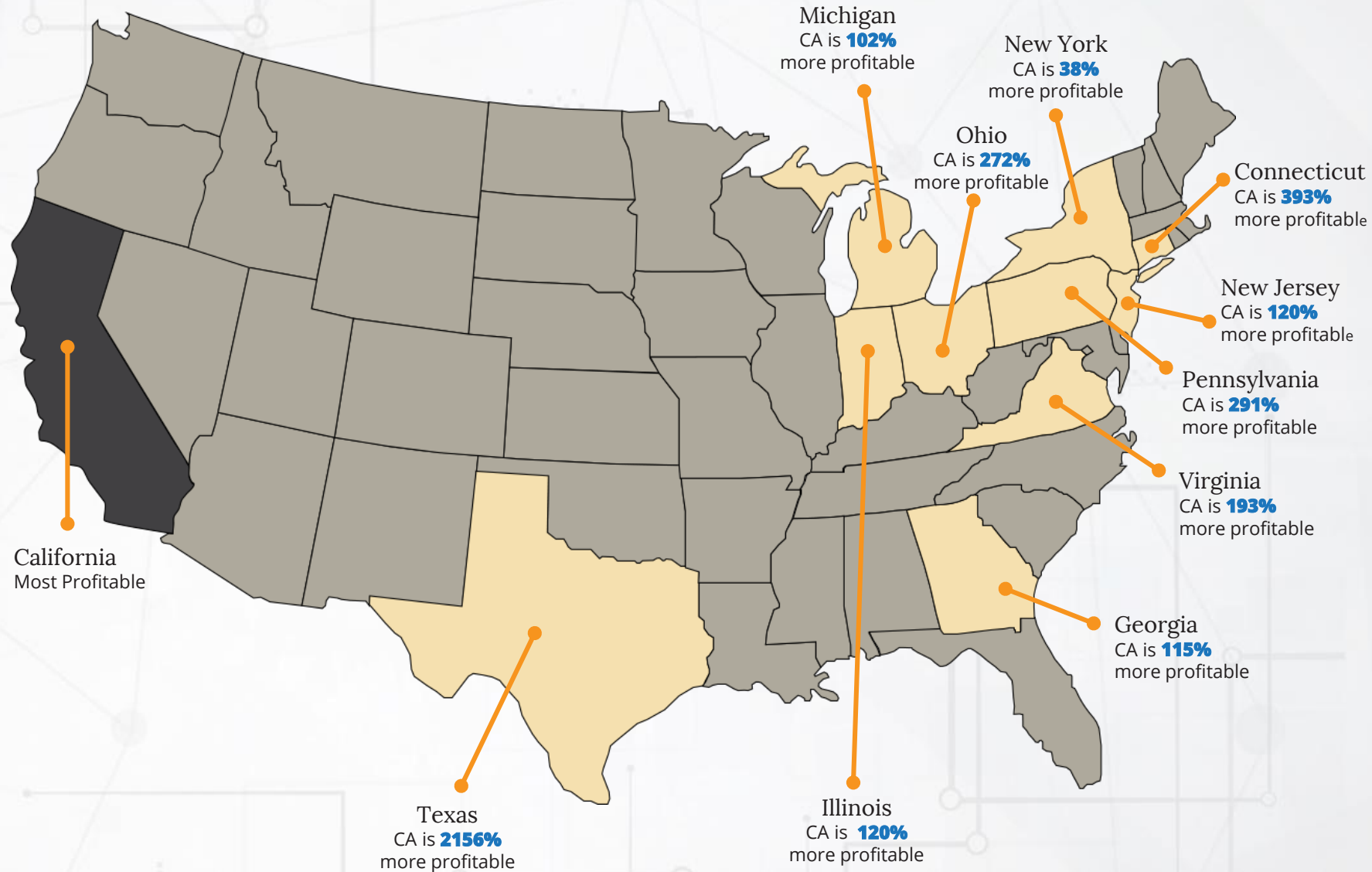


STEM Focused  
Common Core  
Investment



## 10 states with the most Fortune 500 HQs

California has 51 Fortune 500 HQs. California companies are 2,156% more profitable than Texas companies and 38% more profitable than New York companies. This profit amount includes California state taxes and regulations.



NOTE: 11 states included due to a tie between Georgia and Michigan for 10<sup>th</sup> place.

SOURCE: Fortune 500, 2016



## The Most Efficient & Productive Market in California

### 19 Communities

Collectively &  
collaboratively working  
together toward regional  
investment

### 1 Single Point of Contact

Greater Sacramento Area  
Economic Council

### Affordable Real Estate

Unlimited surplus ready  
to be developed

### 90-Day Permitting

Process  
Region-wide





# DEMOGRAPHICS

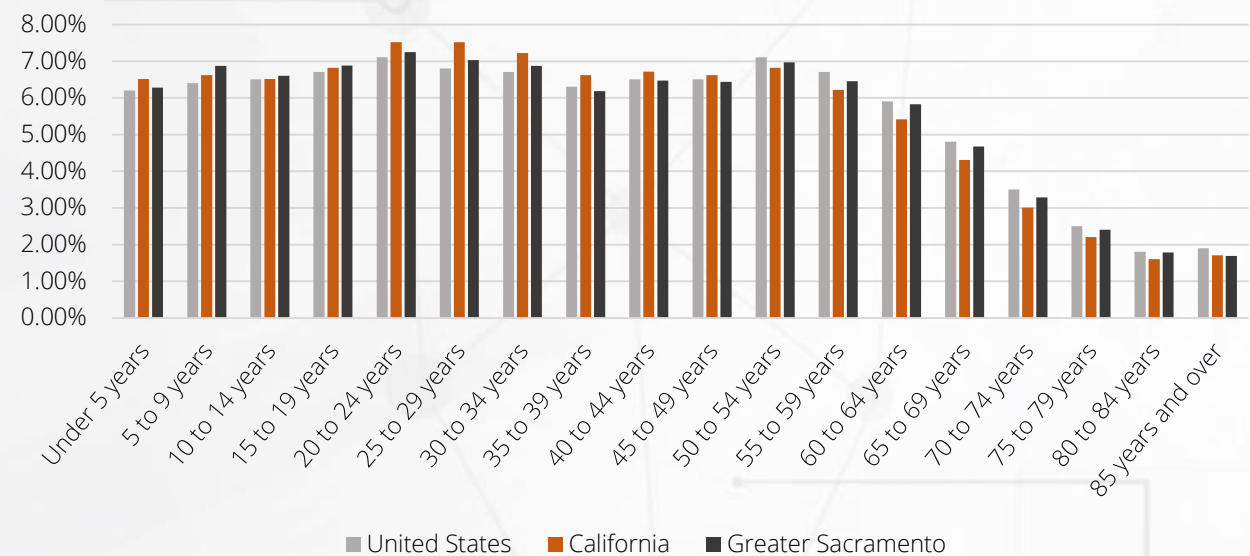


# Population Statistics

## Total Population

With 2.4 million residents, the Greater Sacramento has a substantial population catchment to pull resources from, ranking 22<sup>nd</sup> in the entire US in terms of size. The area showed above average growth from 2009 to 2014, growing by 13% more than California and 44% more than the US as a whole of the same time period.

## Population Composition, 2014



## Population Growth 2009-2014



123,726+  
TOTAL



31,583+  
MILLENNIALS

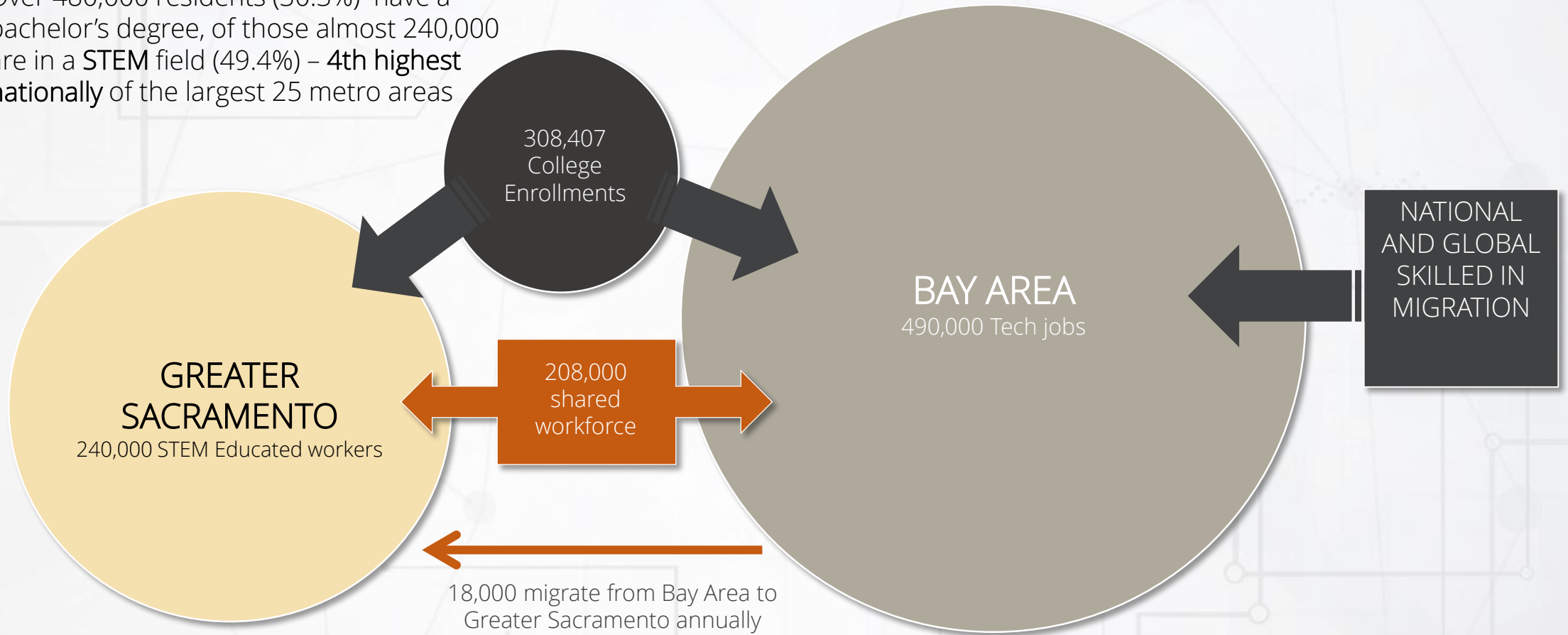
## Population by Age

Aligned to the positive growth figures over the last 5 years, Sacramento has a notably young workforce with an average age of **36.6 years** compared to **37.7 years** for the US as a whole. This points to a robust market for future growth for any business – the chart here shows a full proportional breakdown by age category.

SOURCE: US Census Bureau, American Community Survey, 2009 & 2014 1-Year Estimates

# Greater Sacramento's Talent Ecosystem

- Over 480,000 residents (30.3%) have a bachelor's degree, of those almost 240,000 are in a **STEM** field (49.4%) – **4th highest nationally** of the largest 25 metro areas

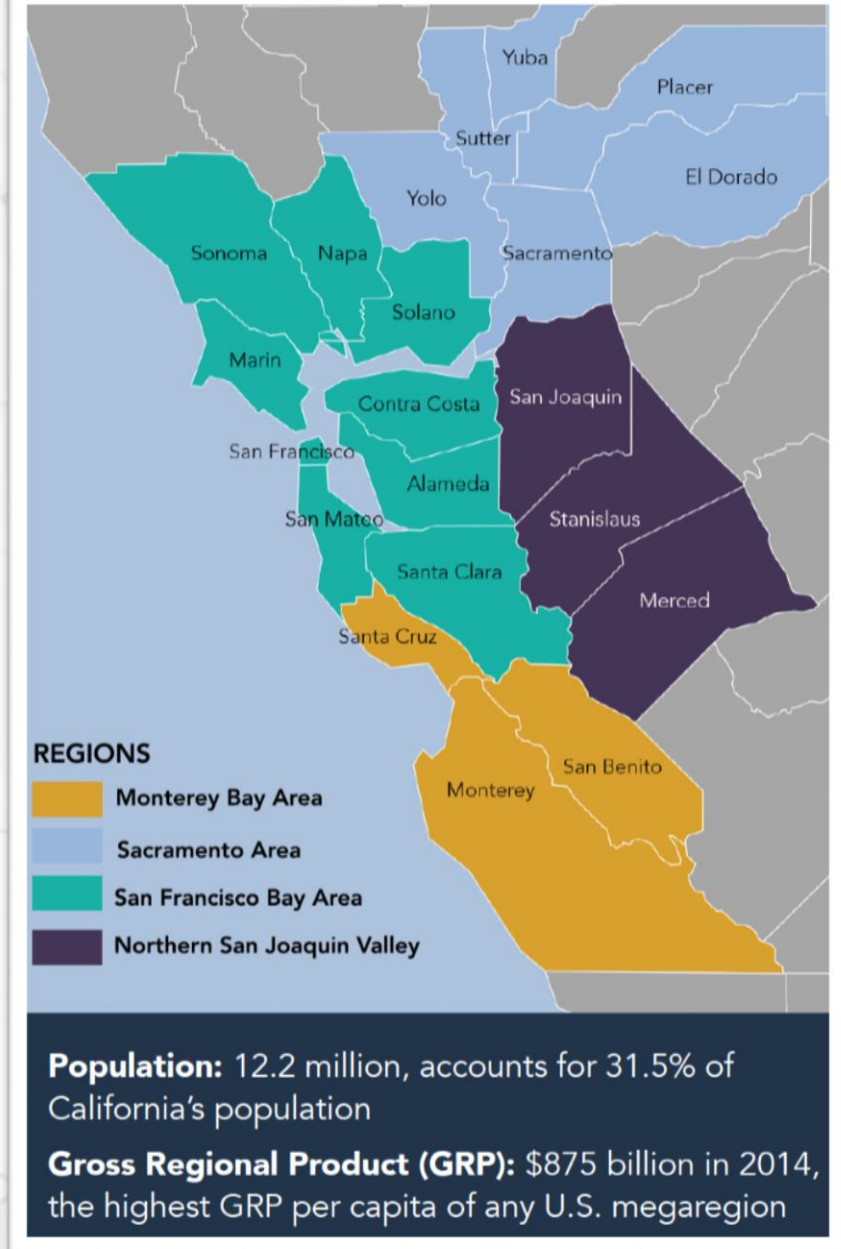


# The Northern California Megaregion

## Innovated, Connecting & Growing

As the population of Northern California continues to grow, challenges in housing, land use, jobs, transportation, and the environment has crossed regional boundaries and are linking cities, counties, and regions together across wider geographies. These issues make planning at a megaregional scale increasingly necessary to achieve a broader footprint of economic prosperity.

- Single megaregion creates a competitive marketplace of 12.2 million
- GDP regionally is the highest of any US megaregion
- Continued expansion of regional rail service is a top priority
- Economic development occurs across county and city lines





An aerial photograph of a city, likely New York City, showing various buildings and streets. Overlaid on the image is a complex network of thin black lines connecting circular nodes of varying sizes. The nodes are distributed across the frame, with some clusters and some isolated points. The overall color palette is muted, with blues, greys, and earthy tones. The word 'WORKFORCE' is centered in a large, white, sans-serif font with a subtle drop shadow.

# WORKFORCE



# Labor Availability

As of 2016, the Greater Sacramento region was home to approximately 2.4 million people and 1.1 million jobs. From 2011 to 2016, the region fostered a job growth rate of 11%, or 109,283 new jobs, exceeding the national job growth by 27%.

Description	2011 Jobs	2016 Jobs	Percent Growth	Median Annual Earnings
Management Occupations	56,244	62,389	10.9%	\$87,684
Business and Financial Operations Occupations	70,311	75,123	6.8%	\$63,723
Computer and Mathematical Occupations	32,196	34,786	8.0%	\$79,937
Architecture and Engineering Occupations	19,009	19,936	4.9%	\$90,067
Life, Physical, and Social Science Occupations	15,848	16,060	1.3%	\$69,095
Legal Occupations	11,054	11,241	1.7%	\$94,745
Arts, Design, Entertainment, Sports, and Media Occupations	17,385	18,033	3.7%	\$41,192
Protective Service Occupations	24,636	26,811	8.8%	\$52,035
Sales and Related Occupations	101,084	109,074	7.9%	\$33,002
Office and Administrative Support Occupations	165,891	177,950	7.3%	\$37,628
Construction and Extraction Occupations	45,209	58,165	28.7%	\$44,928
Installation, Maintenance, and Repair Occupations	31,658	36,116	14.1%	\$46,026
Production Occupations	30,512	34,498	13.1%	\$35,450
Transportation and Material Moving Occupations	50,711	59,429	17.2%	\$32,564
<b>Total*</b>	<b>991,714</b>	<b>1,099,501</b>	<b>10.9%</b>	<b>\$47,226</b>



Job growth  
+27% vs US  
average

**SOURCE:** EMSI, 2016.2

**\*NOTE:** Total row includes all occupational categories, not just those listed in table

# Median Wages

## Occupational Wage Comparison

The table below provides median annual wages for a number of standard occupations that match the client's criteria in key comparison markets. The lowest wage for each occupational category have been highlighted blue. The list does not necessarily reflect the entirety of workforce available in the region but provides an employment estimate for specific job functions – demonstrating the potential supply of labor.

SOC	Description	Median Annual Wage			Greater Sacramento vs. San Francisco	Greater Sacramento vs. San Jose
		Greater Sacramento	San Francisco, CA MSA	San Jose, CA MSA		
11-0000	Management Occupations	\$87,693	\$120,640	\$141,981	-27.3%	-38.2%
13-0000	Business and Financial Operations Occupations	\$63,731	\$82,597	\$86,965	-22.8%	-26.7%
15-0000	Computer and Mathematical Occupations	\$79,934	\$100,381	\$117,853	-20.4%	-32.2%
17-0000	Architecture and Engineering Occupations	\$90,064	\$96,387	\$108,264	-6.6%	-16.8%
19-0000	Life, Physical, and Social Science Occupations	\$69,098	\$86,570	\$81,203	-20.2%	-14.9%
21-0000	Community and Social Service Occupations	\$49,962	\$50,045	\$54,517	-0.2%	-8.4%
23-0000	Legal Occupations	\$94,744	\$113,485	\$123,594	-16.5%	-23.3%
25-0000	Education, Training, and Library Occupations	\$52,562	\$56,181	\$58,282	-6.4%	-9.8%
27-0000	Arts, Design, Entertainment, Sports, and Media Occupations	\$41,184	\$52,187	\$56,285	-21.1%	-26.8%
29-0000	Healthcare Practitioners and Technical Occupations	\$98,363	\$109,699	\$108,888	-10.3%	-9.7%
31-0000	Healthcare Support Occupations	\$33,259	\$37,398	\$37,773	-11.1%	-11.9%
35-0000	Food Preparation and Serving Related Occupations	\$21,819	\$23,712	\$23,878	-8.0%	-8.6%
37-0000	Building and Grounds Cleaning and Maintenance Occupations	\$26,083	\$30,285	\$27,040	-13.9%	-3.5%
41-0000	Sales and Related Occupations	\$33,010	\$42,598	\$45,136	-22.5%	-26.9%
43-0000	Office and Administrative Support Occupations	\$37,627	\$43,680	\$44,845	-13.9%	-16.1%
-	Weighted Average, All Occupations	\$47,112	\$58,843	\$68,349	-19.9%	-31.1%



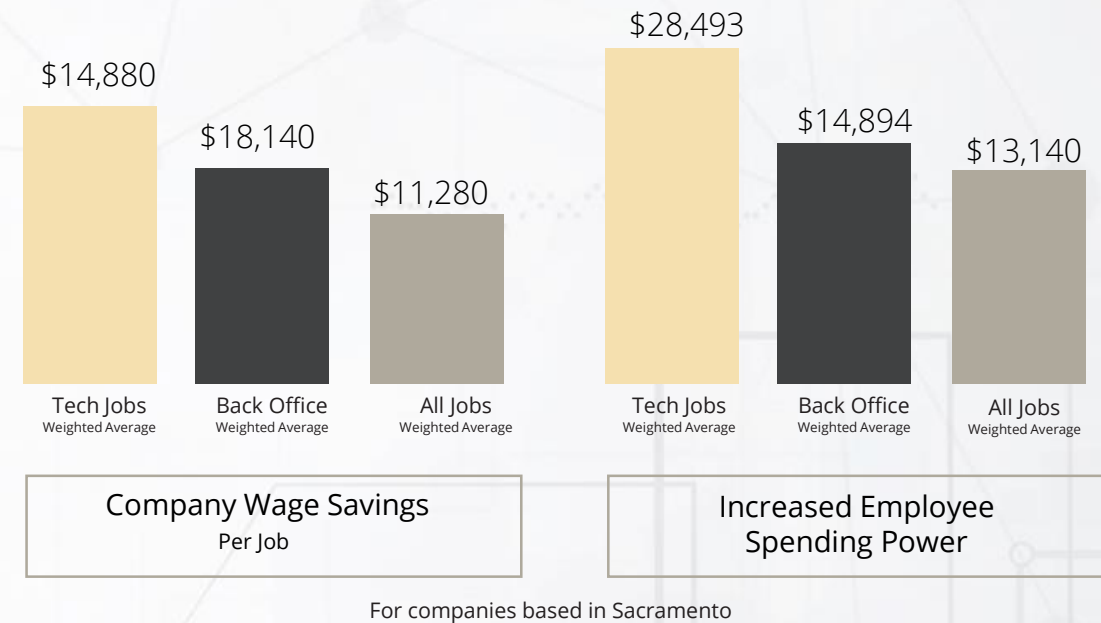
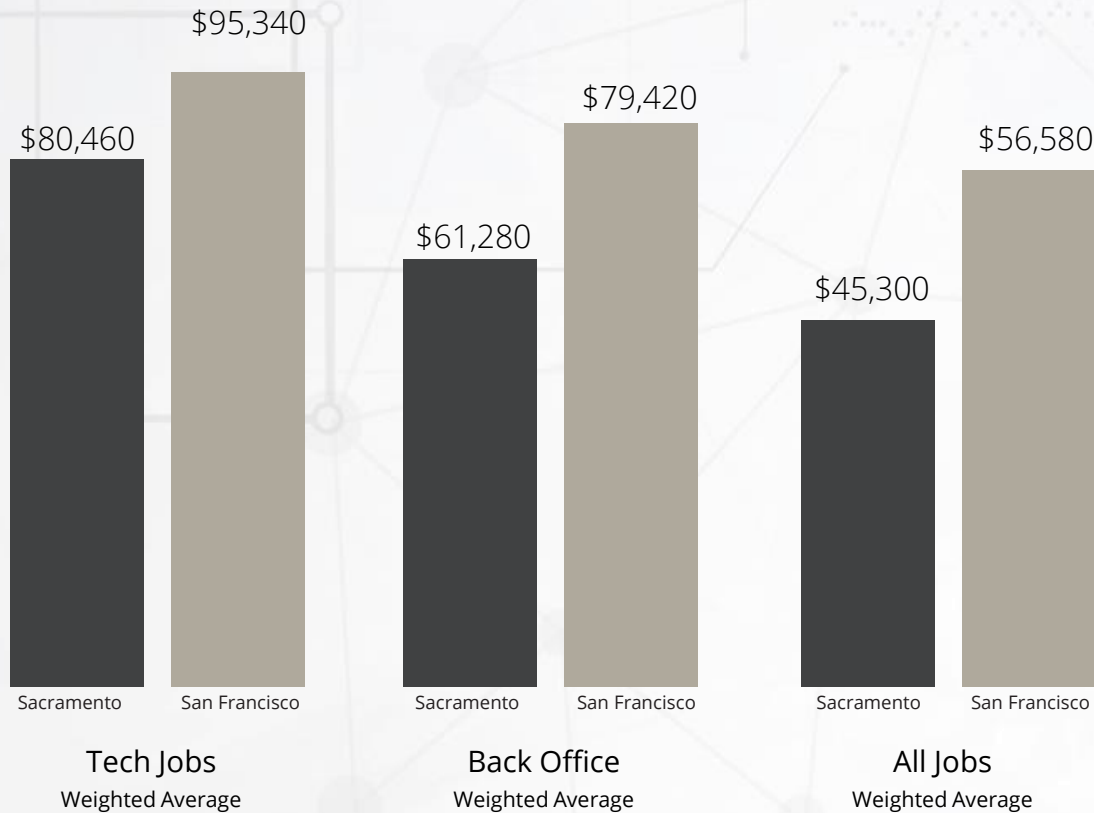
Median wage  
-23.7%  
compared to  
peers\*

**SOURCE:** EMSI, 2016.2

**\*NOTE:** Weighted average row includes all occupational categories, not just those listed in table

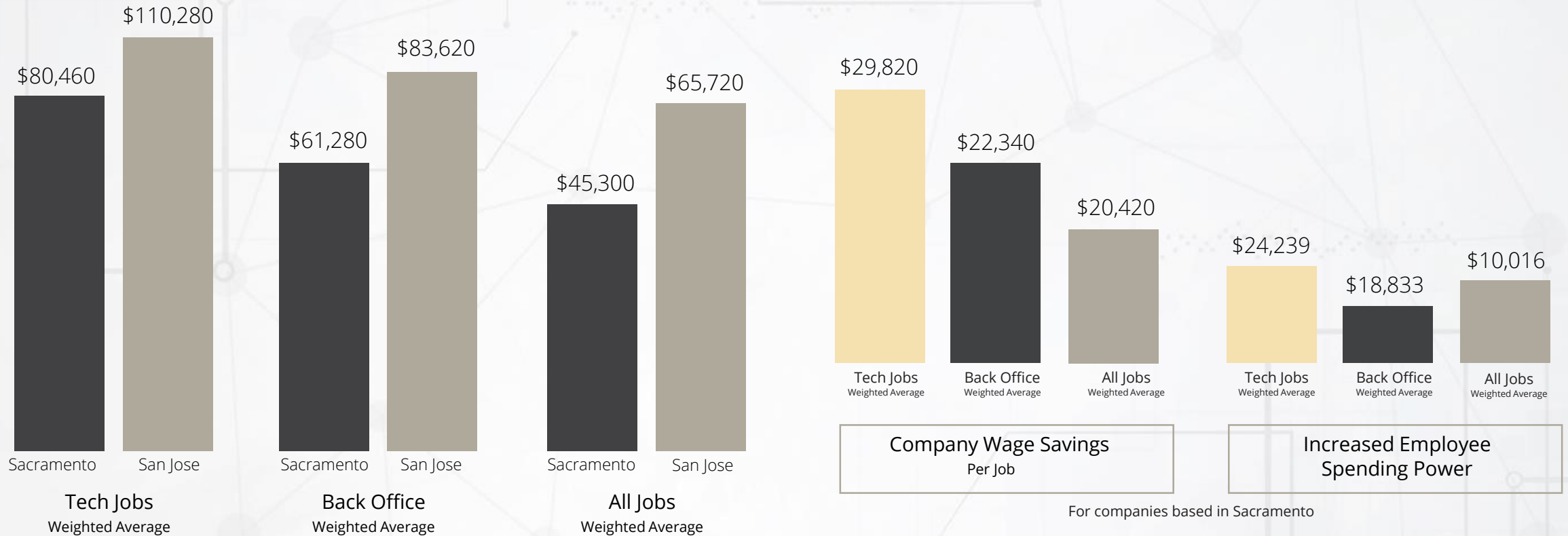
\*Peer metros are San Francisco and San Jose, using all occupations

# Wage Comparisons Sacramento vs. San Francisco



The Sacramento Region has the workforce to support business and has wages significantly lower than in San Francisco. San Francisco wages are 35-45% higher than in Greater Sacramento.

# Wage Comparisons Sacramento vs. San Jose



The Sacramento Region has the workforce to support business and has wages significantly lower than in San Jose. This gives companies a significant savings in salaries in addition to a lower cost of living, allowing employees to gain additional spending power.



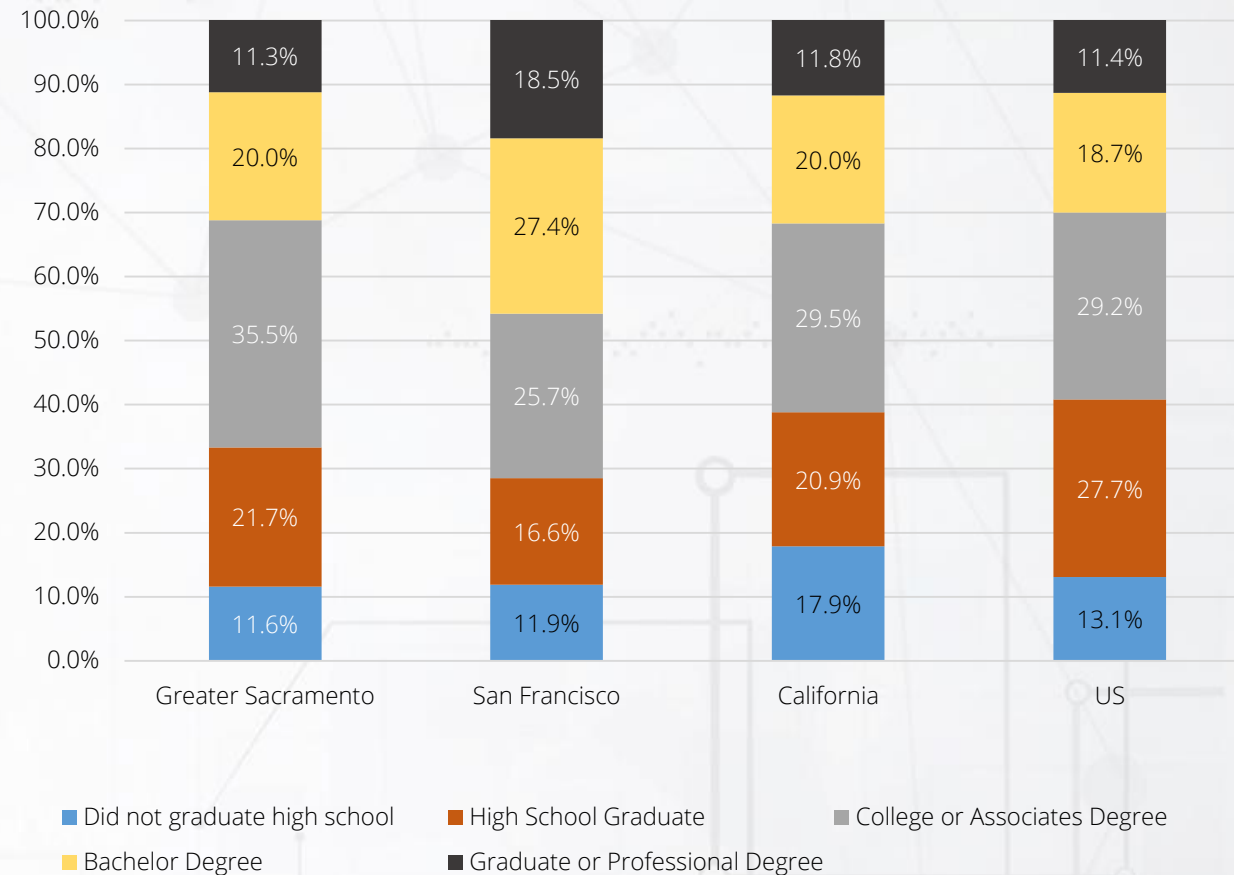
# Educational Attainment

1,317,824 residents aged 25 and over have at least a high school diploma, accounting for about 88.5% of the 1,489,067 people that fall within this specified age group. 31.3% or 466,078 people within this age group have at least a Bachelor's degree, which is 1.2% above the US average.

## In Migration - Bachelors Degree or Higher



Minimum Educational Level Attained

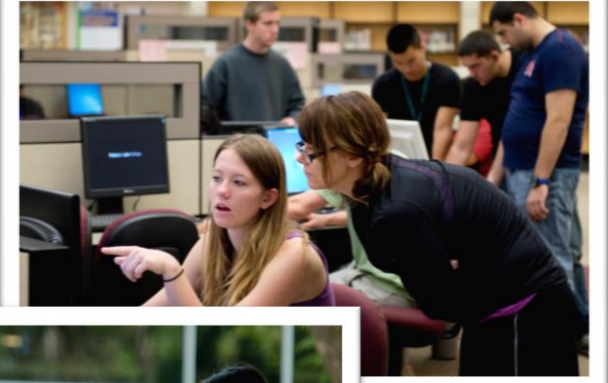


# Greater Sacramento's Talent Network

Direct access to a system of universities, anchored by the top UC schools, gives Greater Sacramento a strong workforce

# 308,000

college students within 100 miles of the region





**#1** Veterinary School in the United States

**#2** In the world in Agricultural Sciences

**#1** Best value across public colleges nationwide

**#1** In the nation in Computer Science

**#2** In the world in Plant & Animal Science

**#3** In the world in Environmental/Ecology

**#3** In the world in Engineering

**#3** In the world in Biology & Chemistry

## Life Science

UC Davis Medical Center is among the nation's best in 10 adult and 5 children's specialties

## Alumni

Sacramento is the 2<sup>nd</sup> largest region for Davis alumni, behind the Bay Area

**#4** In the nation in Artificial Intelligence

**#5** In the nation in Economics





# QUALITY OF LIFE



# Cost of Living

The cost of living in the Sacramento MSA is anywhere from **20% to 70% lower than other major markets** in California.

Employees are able to afford a higher standard of living in the Sacramento MSA for significantly less than in other major California markets, thus allowing employers to save on employee costs without adversely affecting employees.

Cost of Living Index	Sacramento MSA	Los Angeles MSA	San Diego MSA	San Francisco MSA	San Jose MSA
Food	112.8	107.9	111.7	118.1	120
Housing	167	285	256	376	431
Utilities	114	109	109	93	127
Transportation	114	112	111	109	112
Health	104	109	111	113	115
Miscellaneous	104	103	105	118	103
Overall	128	165	156	197	214
% Difference of Sacramento	-	+28.9%	+21.9%	+53.9%	+67.2%
Income Equivalence (\$50,000)	\$50,000	\$64,453	\$60,938	\$76,953	\$83,594

## Salary Equivalents by MSA



# Quality of Life Measures

## Regional Rankings

In addition to the cost advantages of the Sacramento MSA, Greater Sacramento consistently ranks well nationally on various quality of life measures. A sample of rankings from objective third party surveys are provide here:

Rank	List
1 <sup>st</sup>	Best Cycling Towns
1 <sup>st</sup>	Top Cities for Employee Engagement
1 <sup>st</sup>	Best Affordable Cities Near Wine Country
1 <sup>st</sup>	Best Cities to be Single in California
1 <sup>st</sup>	Best Ice Cream Shop by State (California)
2 <sup>nd</sup> , 3 <sup>rd</sup> , 8 <sup>th</sup> , 9 <sup>th</sup>	Best Cities for Young Families in California
10 <sup>th</sup>	America's Most Diverse City
10 <sup>th</sup>	Best Summer Travel Destinations
11 <sup>th</sup>	America's Healthiest Cities
13 <sup>th</sup>	American Fitness Index

A weekend retreat to Tahoe? A lunch meeting in San Francisco? No problem! Take that, subtract the horrendous Bay Area traffic and throw in a thriving downtown and you have a fantastic urban hub to meet your personal and professional needs.

-Tyler Smith, CEO of SkySlope

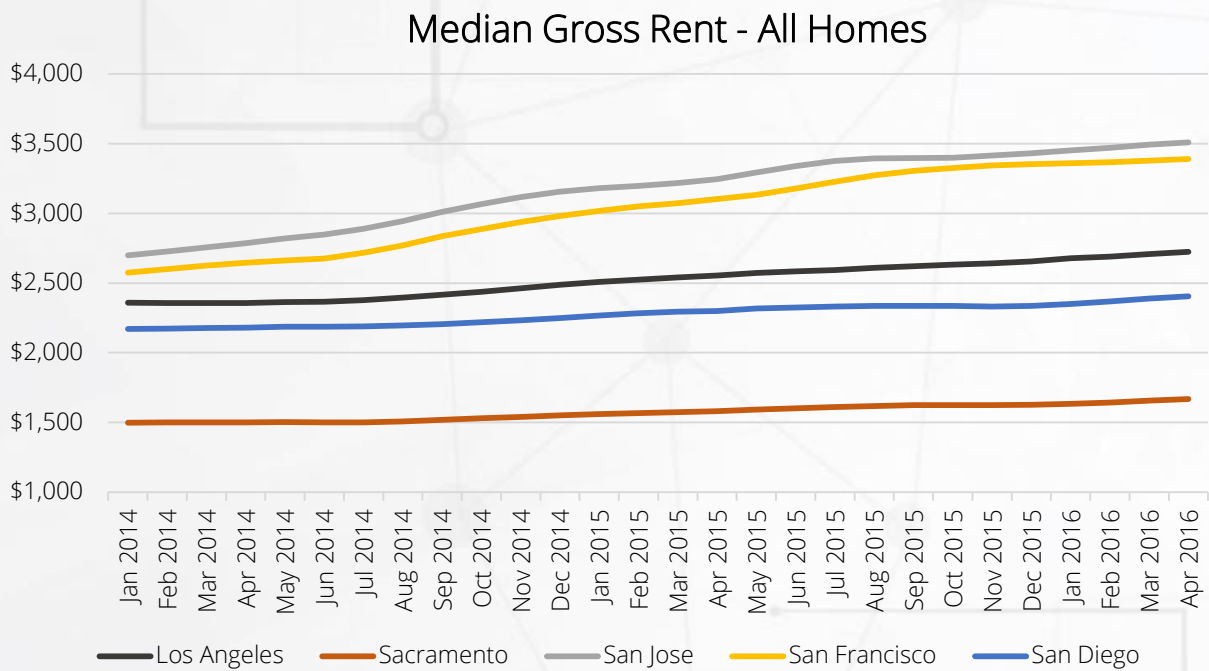
Bay Area tech workers can make four times our income, and we'll have a better lifestyle.

-Rich Foreman, CEO of Apptology

# Quality of Life Measures

## Median Home Prices

With a median home price of \$339,600, the Sacramento MSA is significantly cheaper than other major California markets with respect to housing costs. In additions median rental rates were only \$1,668 per month in the Sacramento MSA, less than half the figure for both San Francisco and San Jose MSAs.



SOURCE: Zillow, April 2016

## Home Value & Rent Comparisons

	Los Angeles MSA	Sacramento MSA	San Diego MSA	San Francisco MSA	San Jose MSA
Median Home Value	\$568,200	\$338,100	\$508,400	\$808,400	\$951,300
Median Rent	\$2,546	\$1,650	\$2,386	\$3,360	\$3,502
Median Rent Change, 01/2014 – 04/2016	12.0%	11.1%	11.2%	31.7%	30.7%

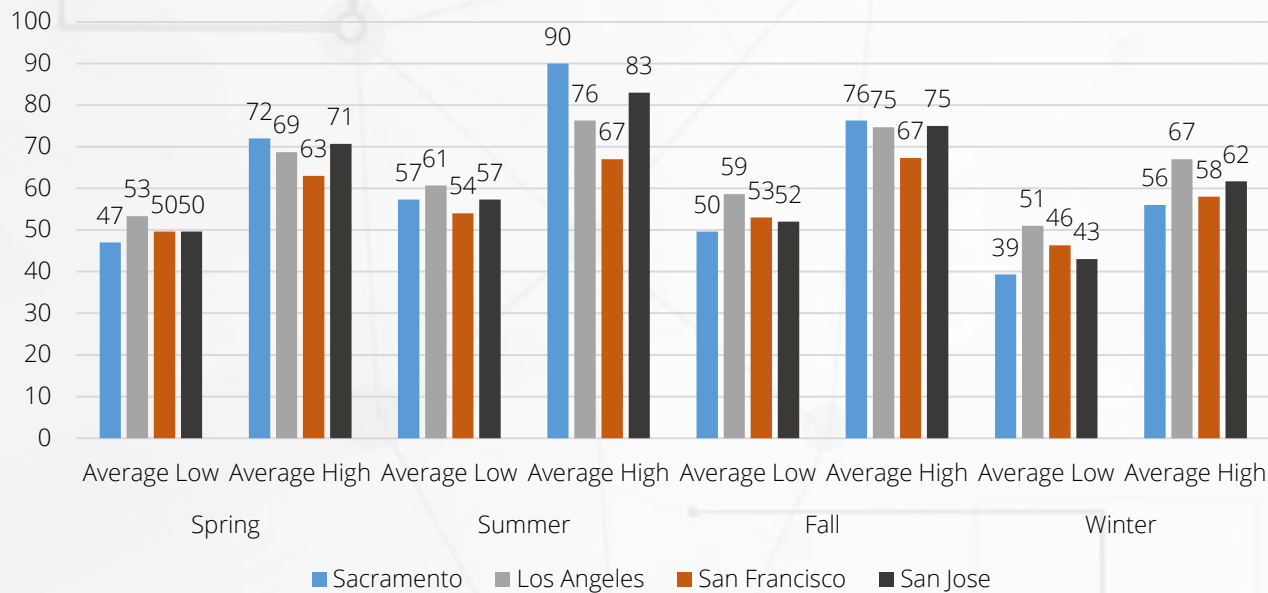
From January 2014 - April 2016, Sacramento experienced an increase in median rent of just 11.1%, compared to 31.7% during the same time period in San Francisco.

# Quality of Life Measures

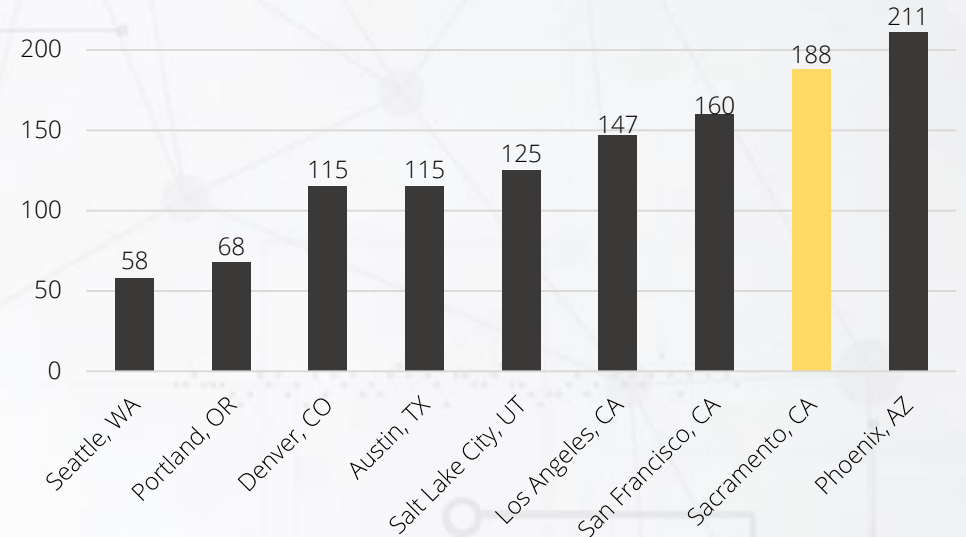
## Climate

The Greater Sacramento region's Mediterranean-like climate is characterized by temperate weather conditions and low humidity. Summer days in the area are sunny and warm while delta breezes help keep summer nights cool and invigorating. Typically, the valley reaches higher temperatures than the mountains and the rainy season occurs between November and April.

### Annual Temperature



### Days of Sunshine



The Sierra Nevada snowfields provide access to winter sports within a 60 minute drive of the area.

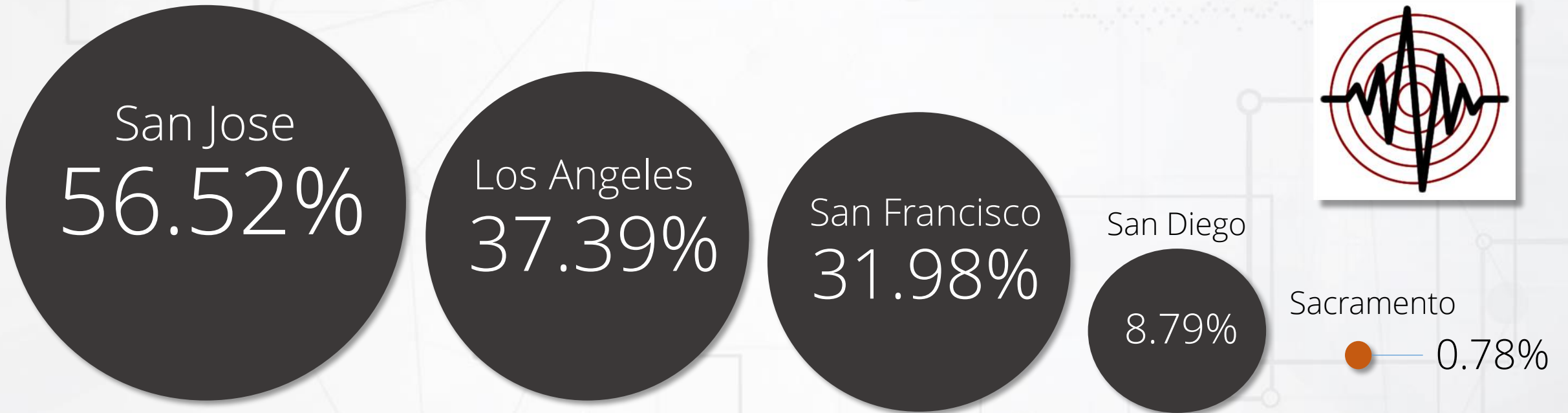


# Quality of Life Measures

## Seismic Stability

According to data from the United States Geological Survey, there exists a 32% chance of an earthquake of magnitude 6.7 or greater occurring within 50km of San Francisco over the next 50 years. During this same time period, the data implies a 57% chance of a similar event occurring within 50km of San Jose, a 38% chance of a similar event occurring within 50km of Los Angeles, and a 9% chance of one occurring within 50km of San Diego. Meanwhile, the chances of such an event occurring within 50km of Sacramento is less than 1% during the same time period.

### Probability of a 6.7 or greater magnitude earthquake within the next 30 years



The background of the image is a city skyline at sunset. The sun is low on the horizon, creating a warm, golden glow that reflects off the buildings and the sky. The city is filled with various skyscrapers and buildings, some of which are partially obscured by the network overlay. Overlaid on the city is a complex network of thin, dark lines connecting various points, resembling a digital or data network. The points are represented by small circles of varying sizes, some of which are highlighted with a slight glow. The overall aesthetic is modern and technological, suggesting a focus on digital commerce or data-driven real estate.

COMMERCIAL

# REAL ESTATE

# Affordable Office Space

Although there is less available space, office lease rates are over 45% more affordable in the Greater Sacramento region than in either the San Jose MSA or the San Francisco MSA.

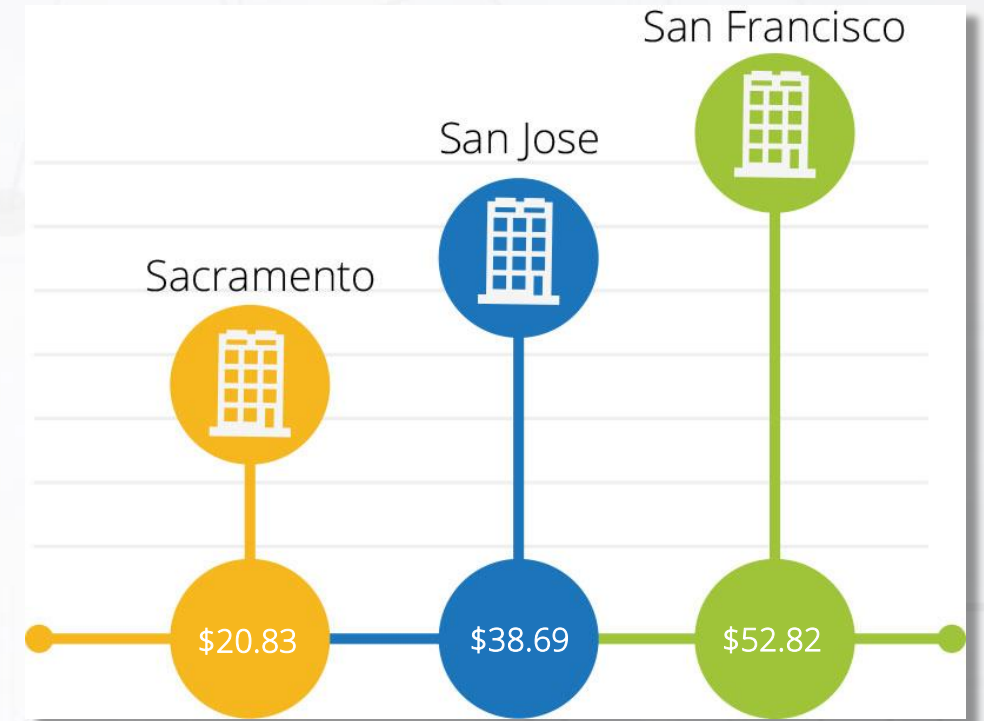
## Office Lease Rates

Region	Gross Rent (\$/SF)	Existing SF	Vacancy Rate
Greater Sacramento	\$20.83	103,722,179	12.2%
Los Angeles MSA	\$32.57	405,657,602	10.3%
San Francisco MSA	\$52.82	166,549,882	6.9%
San Jose MSA	\$38.69	113,624,520	7.3%

## Office Purchase Rates

Region	Average	Class A	Class B	Class C
Greater Sacramento	\$142	\$170	\$143	\$117
Los Angeles MSA	\$332	\$360	\$293	\$302
San Francisco MSA	\$501	\$610	\$444	\$445
San Jose MSA	\$434	\$631	\$396	\$335

## Average Annual Office Lease Rates (psf)





# Affordable Industrial Space

Not only are industrial and flex lease rates in the Greater Sacramento region over 65% cheaper than both the San Francisco MSA and the San Jose MSA, but the Greater Sacramento region also has more vacant industrial and flex rental space than the San Francisco MSA and San Jose MSA combined.

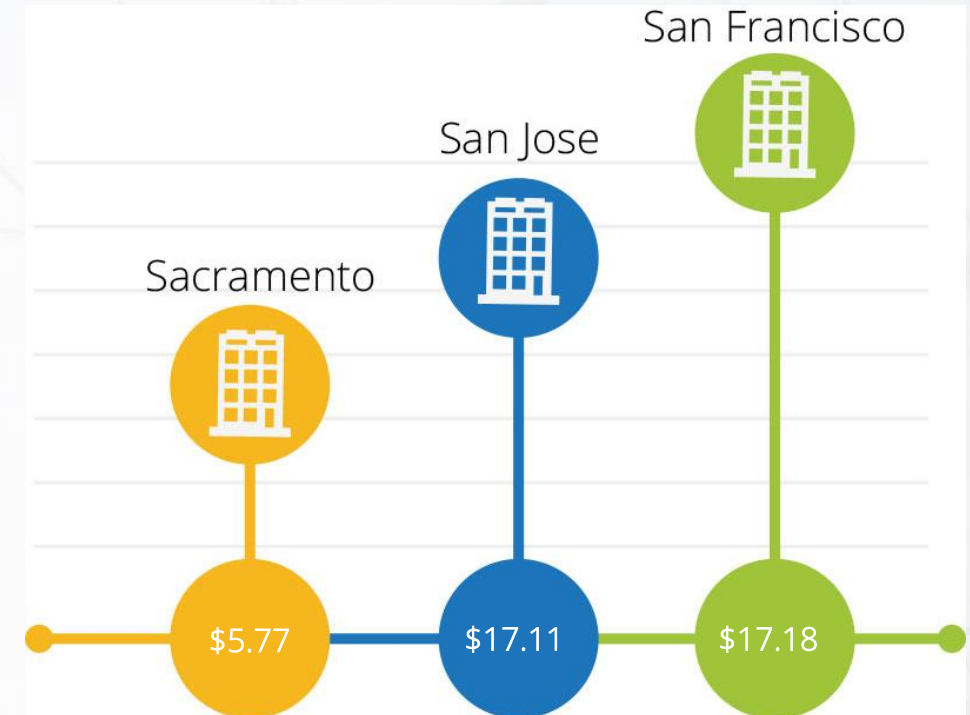
## Industrial & Flex Lease Rates

Region	Gross Rent (\$/SF)	Existing SF	Vacancy Rate
Greater Sacramento	\$5.77	90,204,151	6.7%
Los Angeles MSA	\$9.83	535,922,982	2.1%
San Francisco MSA	\$17.18	61,939,067	2.7%
San Jose MSA	\$17.11	82,464,664	4.0%

## Industrial & Flex Purchase Rates

Region	Average	< 25K SF	25K - 99K SF	> 100K SF
Greater Sacramento	\$69	\$81	\$69	\$20
Los Angeles MSA	\$141	\$178	\$140	\$107
San Francisco MSA	\$265	\$329	\$221	\$226
San Jose MSA	\$220	\$265	\$198	\$235

## Average Annual Industrial & Flex Lease Rates (psf)





## \$3.9 Billion in Urban Core Development

### Sports & Entertainment

- Golden 1 Center
- Republic FC Development
- #1 AAA Minor League Team

### Urban Infill Project

- Sacramento Railyards largest urban infill projects in the country

### Integrated Rail

- 2<sup>nd</sup> busiest Amtrak station in CA, 7<sup>th</sup> busiest in US

### Home to the State Capital

- Making an investment in the next generation

The background of the image is a city skyline at sunset, with a warm orange and yellow glow from the sun. Overlaid on this is a complex network of thin grey lines and dots, resembling a digital or transportation network. The dots are of varying sizes and are connected by lines that form a web-like structure across the entire image. The text 'TRANSPORTATION & DISTRIBUTION' is centered in the middle of the image, with 'TRANSPORTATION' in a large, bold, white sans-serif font and '& DISTRIBUTION' in a smaller, white sans-serif font below it.

# TRANSPORTATION

& DISTRIBUTION



# Regional Transport

## Road Congestion

In addition to being within 90 minutes drive of the Bay Area, Greater Sacramento also benefits from a much less congested road network than both the Bay Area and LA. This allows for greater workforce efficiency, with employees spending less time driving to and from work. It also has a direct cost benefit with less excess fuel spend per car.

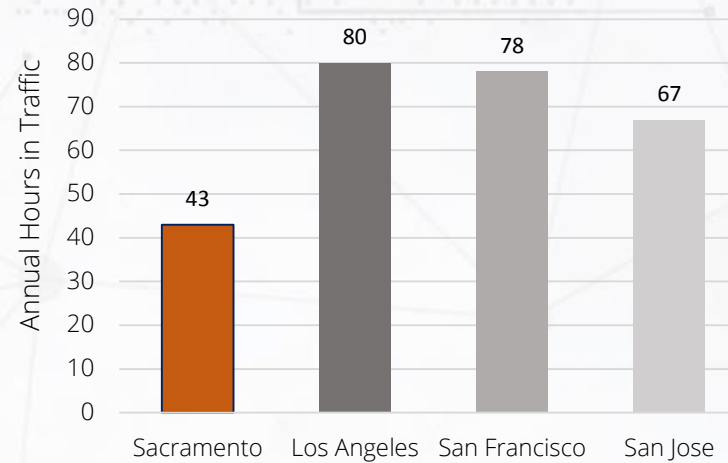
## Amtrak Ridership

Amtrak is a common mode of transportation for Sacramento commuters and during the 2015 fiscal year the Sacramento Amtrak station served 1,027,013 riders, making it the 2nd busiest station in California and the 7th busiest station in the United States.

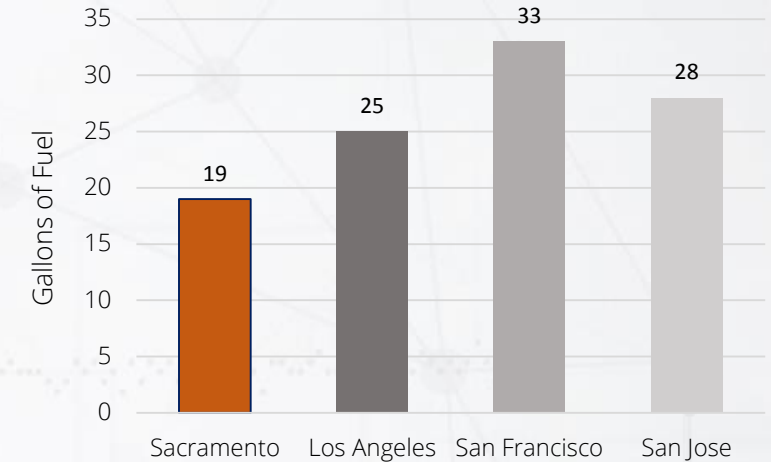
## Capitol Corridor

The Capitol Corridor is a 170-mile railroad network that provides residents with another intercity travel option between Greater Sacramento and the Bay Area – increasing the connectivity between the regions. This network, is the second-largest urban service area in the Western United States. Many commuters between the Greater Sacramento region and the San Francisco Bay Area choose this mode of transportation to avoid traffic congestion along the I-80, I-680, and I-880 freeways which link the regions.

### Time Spent in Traffic



### Annual Excess Fuel per Auto



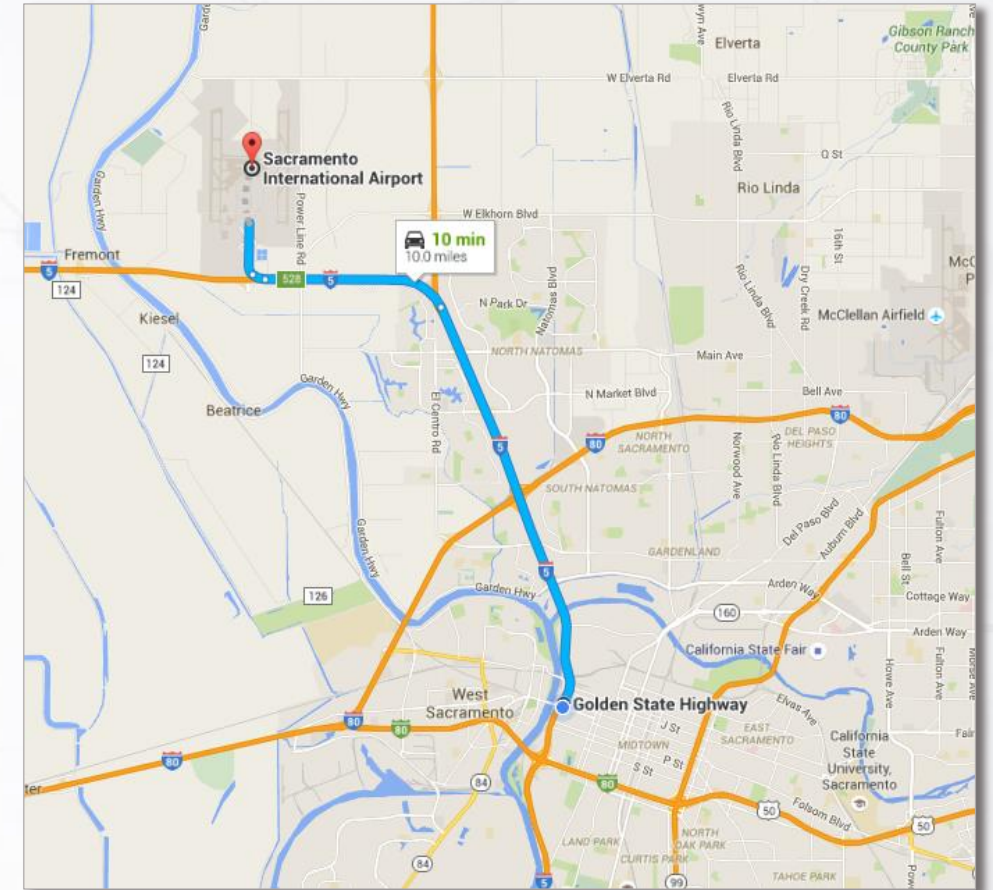


# Sacramento International Airport

Located just 10 minutes, from Downtown Sacramento, the Sacramento International Airport is a medium sized hub poised to grow faster than the national average for decades to come. The airport currently offers direct flights to 30 different locations.

Airport	2014 Enplanements	Annual Enplanement Growth 2013-14
Sacramento International Airport	4,384,616	3.0%
Medium Hubs	117,262,722	2.6%
Small, Medium, and Large Hubs	732,199,235	2.8%

Airport	10 Yr Avg. Annual Growth Forecast	20 Yr Avg. Annual Growth Forecast
Sacramento International Airport	2.8%	2.5%
Medium Hubs	2.5%	2.2%
Small, Medium, and Large Hubs	2.2%	2.1%



# APPENDICES

Success Stories  
Local Venture Funds  
Tech Partnership  
Incentive Programs

# Success Stories

Companies looking at Silicon Valley chose Greater Sacramento as their headquarters

## ASIA



Anpac Bio-Medical

- Shanghai-based life science company
- Developed blood test for cancer
- Working with Dignity Health for clinical trials
- **Locating US headquarters in Greater Sacramento**

## EUROPE



VoxPro

- Irish tech company
- Customer and tech support for most innovative companies in the world
- **Locating US headquarters in Greater Sacramento**

## AMERICA



Flippbox

- Tech company began in Silicon Valley
- Moved to Florida after promises of low taxes, "business-friendly"
- Couldn't find qualified talent, lack of infrastructure
- **Locating US headquarters in Greater Sacramento**



# Local Venture Funds

Select funds operating out of Greater Sacramento



## AGR Partners

- AGR Partners provides capital through non-controlling equity and subordinated debt in leading **agribusinesses and food companies**
- Over the past three years, AGR has invested over **\$230 million** across seven companies



## Moneta Ventures

- Headquartered in Folsom
- Focused on **early stage** software, cloud, IT services, healthcare, and internet and consumer companies
- **Average investment ranges from \$500 thousand to \$2 million**

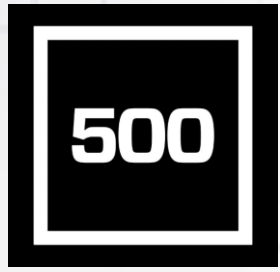


## Sacramento Innovation Fund

- **\$10 million fund** designed to support innovation in Sacramento
- **Largest of its kind in the nation**
- The program isn't looking for scratch ideas but instead will give money to existing local endeavors that already have some funding and a track record



# Tech Partnership



*City of*  
**SACRAMENTO**

Build an Innovation Platform

Position Sacramento's brand globally & increase credibility

The City of Sacramento will be a Limited Partner in a 500 Startups fund alongside other LPs such as Mark Cuban, Tim Draper, and Sheryl Sandberg

\$2 million from City's Innovation Fund

Creates ROI on public funds, reinvested across 500 Startups portfolio

Partnership gives Sacramento access to a global portfolio of vetted, active scale-up ventures with goal of having them reinvest and locate in Greater Sacramento

500 Startups is the most active seed investor in Silicon Valley, currently run by super angel and **Pay Pal funder Dave McClure**. 500 Startups is present across more than 50 countries, graduating companies out of their accelerator programs and investing in over 1,500 ventures

# Incentive Programs

## Federal Incentive Programs

### **Foreign Trade Zones (FTZ)**

Merchandise exported from or imported into an FTZ is excluded from customs duty and excise taxes until the time of transfer from the zone. The Port of West Sacramento is designated as an FTZ with several subzones and serves the Customs and Border Protection port of entry.

### **New Markets Tax Credit (NMTC)**

The New Markets Tax Credit (NMTC) Program offers credits against federal income taxes for qualified equity investments in designated Community Development Entities (CDEs). The credit totals 39 percent of the original investment amount and is claimed over a period of seven year.

## State Incentive Programs

### **California Competes Tax Credit**

The California Competes Tax Credit is an income tax credit available to businesses that want to come to California or stay and grow in California. Unlike the Enterprise Zone program this program is statewide. Thus, there are no geographic restrictions. Tax credit agreements will be negotiated by GO-Biz and approved by the "California Competes Tax Credit Committee."

### **(Partial) Sales and Use Tax Exemption**

A partial exemption of sales and use tax on certain manufacturing biotechnology and research and development equipment purchases. The partial exemption applies only to the state sales and use tax rate portion, currently at 4.1875 percent. The exemption does not apply to any local, city, county, or district tax. All manufacturers (NAICS Codes 3111 - 3399, inclusive), Research and Development in Biotechnology and Research and Development in the Physical, Engineering, and Life Sciences (NAICS Codes 541711 and 541712, respectively). Includes certain tenant improvements.

# Incentive Programs

## State Incentive Programs (Cont'd)

### **New Employment Hiring Tax Credit (NEC)**

The New Employment Credit (NEC) is available for each taxable year beginning on or after January 1, 2014, and before January 1, 2021, to a qualified taxpayer that hires a qualified full-time employee on or after January 1, 2014, and pays or incurs qualified wages attributable to work performed by the qualified full-time employee in a designated census tract or economic development area, and that receives a tentative credit reservation for that qualified full-time employee.

### **California Research & Development Tax Credit**

Corporate income tax credits available to companies that have incurred qualified research expenses in California. A taxpayer qualifies for the credit if it paid or incurred qualified research expenses while conducting qualified research in California. The taxpayer may receive up to 15 percent of the excess of current year research expenditures over a computed base amount.

### **Employment Training Panel**

A cash reimbursement for training cost incurred by employers set by a pre-determined two-year performance based contract. Contracts vary based on number of employees enrolled, hours of training, training material and employee wages.

# Incentive Programs

## **Industrial Development Bond (IDB)**

Industrial Development Bond (IDB) financing is a competitive financing option available for the acquisition of manufacturing facilities and equipment providing a financing option for manufacturers to access private capital markets at tax-exempt rates.

## **Pollution Control Tax-Exempt Bond Financing Program**

Private activity tax-exempt bond financing to California businesses for the acquisition, construction, or installation of qualified pollution control, waste disposal, waste recovery facilities, and the acquisition and installation of new equipment.

## **California Capital Access Program**

The California Capital Access Program (CalCAP) encourages participating banks and lending institutions to provide loans to small businesses that fall outside of conventional underwriting standards. Small business owners that have difficulty in obtaining conventional financing may qualify for a CalCAP loan through any CalCAP lender.

## Local Utility Incentive Programs

### **PG&E**

- PG&E offers rebates for customers who purchase energy efficient equipment such as industrial process equipment, boilers, water heating equipment, business computing, and lighting.
- Financial incentives are offered for businesses who are installing their own energy generating equipment such as solar panels.
- For new business customers and existing customers looking to expand operations, PG&E offers an economic development incentive which provides a 12% discount on electricity for five years. This applies to customers whose energy demand exceeds 200kw.



# Incentive Programs

## Local Utility Incentive Programs (Cont'd)

### **SMUD**

- Office Equipment Rebates
  - Offers rebates on sensors used to control office and cubicle equipment for office and electrical equipment using at least 50 watts of power. Infrared and ultrasonic detectors
  - Offers rebates on software that reduces energy by automatically controlling the power settings of desktop computers connected to a network by a server
- Lighting
  - Offers customized incentives for lighting and lighting control
- Economic Development Rate Option
  - Discount on energy rate for companies opening operations or expanding in Sacramento that require a large electric load and creates jobs within the region. The discount allows 5% off in Year 1, 3% off in Year 2, and 1% in Year 3.
  - Requirements for rebate include a load that exceeds 299kw, 50 new jobs created, an added load at a new or expanded site, the client agrees to be a SMUD customer for at least 5 years, and fits under a Standard Industrial Classification (SIC) of 2000-3999 Manufacturing, 4800-4899 Communications, 7300-7499 Business Services and 8700-8799 Professional Services or the equivalent new NAICS codes
- Customized Incentive Packages for Manufacturers
  - SMUD is open to negotiating and developing customized incentive packages for manufacturers looking to locate or expand in the region.
- Financing
  - SMUD assists businesses in financing energy efficiency equipment by offering a loan up to \$10,000 for equipment such as lighting, heating and air conditioning systems, refrigeration, and processing equipment.

# Contact



John Krueger, Executive Vice President

Phone: 602.320.8391

Greater Sacramento Area Economic Council Executive Vice President, John Krueger oversees the company's Business Development, Marketing and Communications, and Research and Strategy areas. These groups are charged with national and international business attraction efforts, internal and external marketing, as well as the research analytics needed to establish and improve the region's economic competitiveness. Before coming back to California he worked in Economic Development in the Greater Phoenix metro and with Arizona Public Service Company (APS), the state's largest electric utility serving large and small communities throughout Arizona. During the past five years, Krueger has helped more than 250 companies evaluate Arizona, and over 50 companies relocate or expand.

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# Contact



Neal Best, Vice President, Business Development

Phone 415.218.6457

Neal has over 13 years of global experience developing and implementing strategic and analytical real estate insights in the commercial sector. Prior to joining Greater Sacramento Neal worked as Strategic Consultant for Cushman & Wakefield, transferring from the company's London office in 2013 to open the Strategic Consulting office in San Francisco. Before that, Neal worked as a consultant with Sainsbury's PLC in the UK, developing an implementing retail store roll out strategy and at real estate advisor's Savills Studley in London, providing strategic consulting advice to commercial real estate owners and investors across Europe.

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# Contact



Cynthia Carrillo, Regional Director, Bay Area

Phone 857.492.7288

Cynthia Carrillo is responsible for developing and executing Greater Sacramento's Bay Area Strategic Plan. In her role, Cynthia oversees and leads Greater Sacramento's staffed operation in Silicon Valley to further interconnect the Capital Region and Bay Area markets as one high-performing Megaregion. Her responsibilities include Business Attraction, particularly for startups and growth-stage companies, Partnerships development, and Foreign Direct Investment.

Prior to Greater Sacramento, Cynthia worked at the Greater Phoenix Economic Council as the Coordinator for Strategic Partnerships, where she was instrumental in content development and support of GPEC's Healthcare Leadership Council; spearheading a promotional strategy to position Greater Phoenix as a Healthcare and Biosciences destination through a custom-built, regional industry website.

In 2014, she was commissioned to the department of Economic Affairs at the office of the Consul General for the Consulate General of Mexico in Phoenix. In this role, Cynthia coordinated event management, outreach, and development for cross-border initiatives between Arizona and Mexico, and was responsible for institutional social media, FDI promotion, and marketing for tourism in Mexico.

She has also worked as an IT Project Manager and Account Manager for a Public/Private consulting firm catering to federal government organizations in Mexico City, developed Special Projects for a nationwide CDFI based in Phoenix, and was part of the founding team for a technology startup in Boston.

Cynthia was born and raised in Monterrey, Mexico and is proud and happy to call the United States home. She is fluent in English, Spanish, and French. Cynthia holds a Master of Business Administration (MBA) from Hult International Business School in Boston, Massachusetts. She received her BS in Communication Sciences from Instituto Tecnológico y De Estudios Superiores de Monterrey (ITESM) in Monterrey, Mexico. She earned her Certified Scrum Master (CSM) certification from Scrum Alliance in 2014.



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